

DOCKET NO. UWY-CV-22-6067306-S

SEASIDE IN WATERFORD, LLC	:	SUPERIOR COURT
	:	
	:	J.D. OF WATERBURY
	:	
v.	:	AT WATERBURY
STATE OF CONNECTICUT	:	DECEMBER 5, 2022

**ANSWER AND SPECIAL DEFENSE**

Pursuant to Practice Book § 10-46, the Defendant, State of Connecticut ("State"), hereby submits the following Answer and Special Defense to the Plaintiff's, Seaside in Waterford, LLC ("SIW"), Complaint, dated September 7, 2022:

1. Admitted.
2. Admitted that the State issued a Request for Proposal ("RFP") as generally described in Paragraph 2. The RFP speaks for itself.
3. Admitted that SIW submitted a response to the RFP. The contents of the document referenced in Paragraph 3 speaks for itself.
4. Admitted.
5. Admitted that SIW and the State's Department of Public Works, now considered part of the Department of Administrative Services, entered into the Contract but denied that the Contract was effective on October 22, 2010, as the Contract required numerous approvals. The State refers to the document for its terms and operative dates. As to the remaining allegations, it is admitted that the State agreed to sell the Property under certain conditions to SIW for Eight Million (\$8,000,000.00) Dollars, including a Two Hundred Fifty Thousand (\$250,000.00) Dollar deposit. The Contract referenced in Paragraph 5 speaks for itself.

6. The Contract speaks for itself. To the extent that a response is required, SIW's characterization of the Contract is denied, and the State refers to the document for its terms.
7. The Contract speaks for itself. To the extent that a response is required, SIW's characterization of the Contract is denied, and the State refers to the document for its terms.
8. The Contract speaks for itself. To the extent that a response is required, SIW's characterization of the Contract is denied, and the State refers to the document for its terms.
9. The State has insufficient information or knowledge with which to form a belief as to the truth of the allegations set forth in Paragraph 9, and therefore, leaves SIW to its proof.
10. The State has insufficient information or knowledge with which to form a belief as to the truth of the allegations set forth in Paragraph 10, and therefore, leaves SIW to its proof.
11. The State has insufficient information or knowledge with which to form a belief as to the truth of the allegations set forth in Paragraph 11, and therefore, leaves SIW to its proof.
12. The State has insufficient information or knowledge with which to form a belief as to the truth of the allegations set forth in Paragraph 12, and therefore, leaves SIW to its proof.
13. Admitted.
14. Admitted.

15. The State has insufficient information or knowledge with which to form a belief as to the truth of the allegations set forth in Paragraph 15, and therefore, leaves SIW to its proof.
16. Admitted that SIW had discussions with the State about SIW's belief that it needed to further amend the zoning regulations. The State has insufficient information or knowledge with which to form a belief as to the truth of the remaining allegations set forth in Paragraph 16, and therefore, leaves SIW to its proof.
17. Admitted that the excerpt is quoted accurately but notes that the letter continues, "[h]owever, the developer knows that our patience is not limitless and should the State conclude that reasonable efforts to secure required approvals and complete the property transaction are not being made, we will move to terminate the agreement." A complete copy of the letter is attached hereto as **Exhibit 1**.
18. Admitted that on May 15, 2014, Jeffrey Beckham provided then Commissioner DeFronzo with an update on the status of the development of Seaside. The contents of the document referenced in Paragraph 18 speaks for itself.
19. Admitted that the excerpt of Jeffrey Beckham's email is quoted accurately. The contents of the document referenced in Paragraph 19 speaks for itself.
20. Admitted that SIW discussed altering its plan again with the State. The State has insufficient information or knowledge with which to form a belief as to the truth of the remaining allegations set forth in Paragraph 20, and therefore, leaves SIW to its proof.

21. The State has insufficient information or knowledge with which to form a belief as to the truth of the allegations set forth in Paragraph 21, and therefore, leaves SIW to its proof.
22. The State has insufficient information or knowledge with which to form a belief as to the truth of the allegations set forth in Paragraph 22, and therefore, leaves SIW to its proof.
23. Denied. The allegations set forth in Paragraph 23 state conclusions of law that do not require a response. To the extent that a response is required, the State has insufficient information or knowledge with which to form a belief as to the truth of the allegations and therefore leaves SIW to its proof.
24. Admitted that former Governor Malloy issued the referenced press release on September 30, 2014. The contents of the document referenced in Paragraph 24 speaks for itself.
25. Admitted that former Commissioner DeFronzo sent the referenced letter. The contents of the document referenced in Paragraph 25 speaks for itself.
26. Admitted that Attorney Wise sent the referenced letter. The contents of the document referenced in Paragraph 26 speaks for itself.
27. Admitted that the excerpt of the Termination Letter is quoted accurately. The Termination Letter speaks for itself. The State further admits that it retained SIW's deposit as liquidated damages pursuant to the terms of the Contract.
28. Admitted that Attorney Wise sent the referenced letter. The contents of the document referenced in Paragraph 28 speaks for itself.
29. Admitted.

30. Admitted.

31. The State has insufficient information or knowledge with which to form a belief as to the truth of the allegations set forth in Paragraph 31, and therefore, leaves SIW to its proof.

32. Denied.

33. Denied.

34. Admitted.

**FIRST SPECIAL DEFENSE**

Plaintiff's claims are barred, in whole or in part, because it failed to mitigate its damages.

DEFENDANT

STATE OF CONNECTICUT

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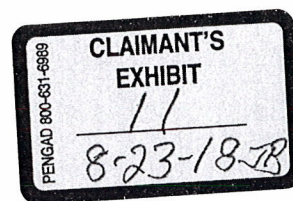
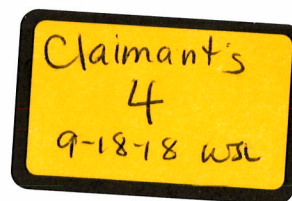
**CERTIFICATION**

I hereby certify that on this 5<sup>th</sup> day of December, 2022, a copy of the foregoing was mailed, first class, postage prepaid and/or delivered electronically to the following:

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/s/ 441240  
John M. Russo, Jr.  
Commissioner of the Superior Court

# **EXHIBIT 1**



# State working hard on Seaside project

Published April 17, 2014 12:01AM

**Donald J. DeFronzo Commissioner of the Department of Administrative Services Hartford**

Regarding David Collins' April 8 column, "Malloy Inc.: Deal-making with a tax scofflaw," it should be noted that the Seaside "deal" was entered into in 2010, prior to the Malloy administration. The deal was some 15 years in the making and involved extensive collaboration between the Town of Waterford and the state. Nonetheless, we understand and share the frustrations of those who want this development to come to pass.

A private lawsuit was filed in 2011 challenging the developer's plan. That challenge was litigated for two years and resolved in favor of the developer, Seaside in Waterford, LLC, late last year. It would not be fair to hold that delay against the developer.

Since then, the state has regularly met with the developer to assure that he is making diligent efforts to get the required approvals. At this time we expect him to do so. However, the developer knows that our patience is not limitless and should the state conclude that reasonable efforts to secure required approvals and complete the property transaction are not being made, we will move to terminate the arrangement. Of course, that will likely delay any alternative development by a matter of years.

The development of such properties is challenging, involving unexpected impediments. It's our job to work through them and secure for the state and Waterford a successful outcome.